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**BY E-MAIL AND REGULAR MAIL**

October 15, 2002

Peter Brady, Esq.  
Chair of Continuous Disclosure  
Harmonization Committee  
British Columbia Securities Commission  
P.O. Box 10142, Pacific Centre  
701 West Georgia Street  
Vancouver, BC  
V7Y 1L2

- and -

Denise Brosseau, Secretary  
Commission des valeurs mobilières du Québec  
Stock Exchange Tower  
800 Victoria Square  
P.O. Box 246  
22nd Floor  
Montreal, Québec  
H4Z 1G3

Dear Sirs:

**Re: Proposed National Instrument 51-102**

We are writing, on behalf of ADP Investor Communications, in response to the request for comments by the Canadian Securities Administrators in respect of Proposed National Instrument 51 – 102 and companion Policy 51-102CP. We apologize for the delay in submitting this response and appreciate your willingness to extend the comment filing deadline.

ADP Investor Communications has been a subsidiary of Automatic Data Processing, Inc. since 1990 and, leveraging the technology of its parent, has been a leader in providing customized investor communications services in Canada. It has undertaken a number of initiatives, on behalf of its issuer and intermediary clients, including securing regulatory support for

telephonic voting (1998), internet delivery (2000) and internet voting (2000). It is currently seeking regulatory approval for a more effective disclosure regime in respect of the mutual fund industry.

Our comments in respect of Proposed National Instrument 51-102 pertain equally in respect of Proposed National Instrument 81-106 and will be submitted in response to the request for comments with respect to that proposed Instrument as well.

ADP Investor Communications applauds the policy objectives underlying Proposed National Instrument 51-102. Harmonization of continuous disclosure requirements and enhancing the timeliness and relevance of such disclosure are laudable goals.

Our client's concern with the Proposed Instrument is two-fold. Firstly, it questions whether adequate consideration has been given to ensuring that the disclosure provided will be meaningful to investors. A second and related concern is that the mechanisms for soliciting investor preferences and with respect to the delivery of disclosure documents contemplated by the Proposed Instrument are less than optimal and fail to take advantage of available technology.

Investor market research conducted by ADP Investor Communications in May 2002 indicates that many (if not most) investors don't understand the relevance of the disclosure documents they receive. To take an extreme example, only 6% of the respondents knew what a prospectus was. There was a high level of frustration with the amount of information they received and a clear preference for easy access to relevant information in order to make informed decisions.

At the same time, issuers and intermediaries, while supporting efforts to improve the relevance and effective delivery of disclosure documents, are concerned with the regulatory burdens and costs involved.

ADP Investor Communications suggests a reconsideration of the mechanics of the proposed National Instrument having regard for recent technological advances which can be applied to the solicitation of investor preferences and to the production and distribution of disclosure materials.

ADP Investor Communications questions the efficacy of leaving it to security owners to request delivery of financial statements and MD&A by annual notification in AIFs and information circulars. A more effective mechanism would be to require issuers to solicit opt-in responses for the receipt of such documents through the annual proxy process (specifically the

form of proxy). Such a mechanism could be used to collect a range of security owner preferences with respect to disclosure materials as well as with respect to preferred delivery mechanisms.

As regards the latter, ADP Investor Communications has developed a suite of technology enablers to generate investor preference databases, both as to document type and delivery mechanism (e.g. print on demand or electronic delivery) which have demonstrated user efficacy, reliability and cost effectiveness. The mechanisms are not unfamiliar – semi-annual mutual fund reports require opt-in solicitation and e-delivery, in general, requires the management of preference data. We would be pleased to review these investor communications solutions with the Canadian Securities Administrators and suggest that the Proposed National Instrument be modified to contemplate them (and comparable technology solutions).

For further information, please feel free to contact the undersigned or Susan Britton at ADP Investor Communications (905-507-5336) or the undersigned.

Sincerely,

Edward J. Waitzer

/s/

c.c.: S. Britton  
A. Cornford